Sub-Committee of NDC on Inter State Allocation of Funds

2754. SHRI AMAR SINGH: Will the PRIME MINISTER be pleased to state:

(a) whether Government have appointed a sub-committee of the National Development Council to work out a formula for inter state allocation of funds under the major rural poverty alleviation programmes in the Ninth Plan; and

(b) if so, the details thereof and by when its report is likely to be received?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK): (a) Yes, Sir.

(b) The Committee has been set up under the Chairmanship of the Deputy Chairman Planning Commission, with members: Chief Ministers of Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh, Union Minister of State for Rural Areas and Employment, Union Minister of State for Planning and Programme Implementation, and a Member of Planning Commission. The Committee will submit its report within three months.

Central Assistance to Assam

2755. SHRIMATI BASANTI SARMA: Will the PRIME MINISTER be pleased to state:

(a) whether the Assam Government have made any request to increase the Central assistance for its projects and economic development of Assam during the last three years;

(b) if so, the details thereof; and

(c) the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK): (a) and (b) The Government of Assam requested for increased Central Assistance by projecting higher Annual Plan Outlays, as indicated below, for development programmes, including the State Capital Project, and eliminating the negative Balance on Current Revenue (BCR)

Year	Proposed Annual Plan Outlays (Rs. Cr.)
1996-97	*1583.26
1997-98	*2016.00
1998-99	2100.00

*includes Rs. 80 crores and Rs. 50 crores for the State Capital Project for the respective years.

(c) There has been considerable increase in the size of the Annual Plan and in Normal Central Assistance, at current prices, for Assam during the last three years, as may be seen from the following Table:—

Year	Approved Annual Plan Outlays (Rs. Cr.)	Normal Central Assistance (Rs. Cr.)
1996-97	1434.00	1100.50
1997-98	1510.00	1147.63
1998-99	1650.00	1447.33

Central Investment in Punjab

2756. SHRI LAJPAT RAI: Will the PRIME MINISTER be pleased to state:

(a) whether the Union/Central sector investment in Punjab is low;

(b) if so, the steps taken by the Union government to increase the Central investment;

(c) whether unemployment problems upto certain extent has been created in Punjab on this account;

(d) whether Government have received a proposal from Punjab Government seeking assistance for investment in the automobile, textile and farming sector; and

(e) if so, the decision taken by the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK): (a) to (c) Central investment is decided keeping into consideration national priorities and economic factors, and not merely on regional disparities.

(d) No proposal has been received from Punjab Government seeking assistance for investment in the automobile, textile and farming sectors.

(e) Question does not arise.

Planning Commission's Projection Regarding Financial Deficit

2757. SHRI S.M. KRISHNA: Will the PRIME MINISTER be pleased to state:

(a) whether the Planning Commission in its recent study of the economy has projected a fiscal deficit of 6.4% of GDP disputing all his claims of the figures on the subject; if so, to what extent the study of Government in fiscal deficit is authenticated;

(b) what are the major areas/sectors of economy taken into consideration by Government to reach definite figure showing fiscal deficit; and

(c) whether it is a fact that the base year of calculating GDP has been shifted from 1985 to 1993; if so, the details thereof; and the changes in GDP vis-a-vis fiscal deficit likely to come forth?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK): (a) No, Sir. The Planning Commission has not brought out any such study/projections on fiscal deficit.

(b) Fiscal deficit is defined as the difference between the revenue receipts (net) plus certain non-debt capital receipts and the total expenditure including loans, net of repayments. Upto the year 1998-99 net small savings collections were fully taken into account for computing the fiscal deficit of the Centre. With effect from 1.4.1999, a new system of transferring 75% of net small savings collections to States and UTs from the public account is being introduced. The budget for 1999-2000 excludes such transfer of share of net small svaings collections for arriving at the fiscal deficit of Rs. 79955 crore (4% of the revised GDP estimates) for the year.

(c) The Central Statistical Organisation (CSO) in the Department of Statistics introduced the new series of national accounts with the base year 1993-94 in place of the earlier series with base 1980-81. Due to the change in base year, the estimates of GDP have also been revised as shown below.